

By: Williams

S.J.R. No. 13

SENATE JOINT RESOLUTION

proposing an amendment to Article III, Section 49-b, of the Texas Constitution, as amended, to provide for an additional \$200 million in bonds or obligations of the State of Texas for the Veterans' Land Fund and to allow the surviving spouses of veterans who died in the line of duty to purchase tracts through the Veterans' Land Board under certain circumstances.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

Section 1. That Article III, Section 49-b, of the Texas Constitution, be amended to read as follows:

"Section 49-b. By virtue of prior Amendments to this Constitution, there has been created a governmental agency of the State of Texas performing governmental duties which has been designated the Veterans' Land Board. Said Board shall continue to function for the purposes specified in all of the prior Constitutional Amendments except as modified herein. Said Board shall be composed of the Commissioner of the General Land Office and two (2) citizens of the State of Texas, one (1) of whom shall be well versed in veterans' affairs and one (1) of whom shall be well versed in finances. One (1) such citizen member shall, with the advice and consent of the Senate, be appointed biennially by the Governor to serve for a term of four (4) years; but the members serving on said Board on the date of adoption hereof shall complete the terms to which they were appointed. In the event of the resignation or death of any such citizen member, the Governor shall

1 appoint a replacement to serve for the unexpired portion of the
2 term to which the deceased or resigning member had been appointed.
3 The compensation for said citizen members shall be as is now or may
4 hereafter be fixed by the Legislature; and each shall make bond in
5 such amount as is now or may hereafter be prescribed by the
6 Legislature.

7 "The Commissioner of the General Land Office shall act as
8 Chairman of said Board and shall be the administrator of the
9 Veterans' Land Program under such terms and restrictions as are now
10 or may hereafter be provided by law. In the absence or illness of
11 said Commissioner, the Chief Clerk of the General Land Office shall
12 be the Acting Chairman of said Board with the same duties and
13 powers that said Commissioner would have if present.

14 "The Veterans' Land Board may provide for, issue and sell not
15 to exceed Seven Hundred Million Dollars (\$700,000,000) [~~Five~~
16 ~~Hundred Million Dollars (\$500,000,000)~~] in bonds or obligations of
17 the State of Texas for the purpose of creating a fund to be known
18 as the Veterans' Land Fund, Five Hundred Million Dollars
19 (\$500,000,000) [~~Four Hundred Million Dollars (\$400,000,000)~~] of
20 which have heretofore been authorized [~~issued and sold~~]. Such
21 bonds or obligations shall be sold for not less than par value and
22 accrued interest; shall be issued in such forms, denominations, and
23 upon such terms as are now or may hereafter be provided by law;
24 shall be issued and sold at such times, at such places, and in such
25 installments as may be determined by said Board; and shall bear a
26 rate or rates of interest as may be fixed by said Board but the

1 weighted average annual interest rate, as that phrase is commonly
 2 and ordinarily used and understood in the municipal bond market, of
 3 all the bonds issued and sold in any installment of any bonds may
 4 not exceed the rate specified in Section 65 of this Article. All
 5 bonds or obligations issued and sold hereunder shall, after
 6 execution by the Board, approval by the Attorney General of Texas,
 7 registration by the Comptroller of Public Accounts of the State of
 8 Texas, and delivery to the purchaser or purchasers, be
 9 incontestable and shall constitute general obligations of the State
 10 of Texas under the Constitution of Texas; and all bonds heretofore
 11 issued and sold by said Board are hereby in all respects validated
 12 and declared to be general obligations of the State of Texas. In
 13 order to prevent default in the payment of principal or interest on
 14 any such bonds, the Legislature shall appropriate a sufficient
 15 amount to pay the same.

16 "In the sale of any such bonds or obligations, a preferential
 17 right of purchase shall be given to the administrators of the
 18 various Teacher Retirement Funds, the Permanent University Funds,
 19 and the Permanent School Funds.

20 "Said Veterans' Land Fund shall consist of any lands
 21 heretofore or hereafter purchased by said Board, until the sale
 22 price therefor, together with any interest and penalties due, have
 23 been received by said Board (although nothing herein shall be
 24 construed to prevent said Board from accepting full payment for a
 25 portion of any tract), and of the moneys attributable to any bonds
 26 heretofore or hereafter issued and sold by said Board which moneys

so attributable shall include but shall not be limited to the proceeds from the issuance and sale of such bonds; the moneys received from the sale or resale of any lands, or rights therein, purchased with such proceeds; the moneys received from the sale or resale of any lands, or rights therein, purchased with other moneys attributable to such bonds; the interest and penalties received from the sale or resale of such lands, or rights therein; the bonuses, income, rents, royalties, and any other pecuniary benefit received by said Board from any such lands; sums received by way of indemnity or forfeiture for the failure of any bidder for the purchase of any such bonds to comply with his bid and accept and pay for such bonds or for the failure of any bidder for the purchase of any lands comprising a part of said Fund to comply with his bid and accept and pay for any such lands; and interest received from investments of any such moneys. The principal and interest on the bonds heretofore and hereafter issued by said Board shall be paid out of the moneys of said Fund in conformance with the Constitutional provisions authorizing such bonds; but the moneys of said Fund which are not immediately committed to the payment of principal and interest on such bonds, the purchase of lands as herein provided, or the payment of expenses as herein provided may be invested in bonds or obligations of the United States until such funds are needed for such purposes.

"All moneys comprising a part of said Fund and not expended for the purposes herein provided shall be a part of said Fund until there are sufficient moneys therein to retire fully all of the

bonds heretofore or hereafter issued and sold by said Board, at which time all such moneys remaining in said Fund, except such portion thereof as may be necessary to retire all such bonds which portion shall be set aside and retained in said Fund for the purpose of retiring all such bonds, shall be deposited to the credit of the General Revenue Fund to be appropriated to such purposes as may be prescribed by law. All moneys becoming a part of said Fund ~~thereafter~~ ~~[thereunder]~~ shall likewise be deposited to the credit of the General Revenue Fund.

"When a Division of said Fund (each Division consisting of the moneys attributable to the bonds issued and sold pursuant to a single Constitutional authorization and the lands purchased therewith) contains sufficient moneys to retire all of the bonds secured by such Division, the moneys thereof, except such portion as may be needed to retire all of the bonds secured by such Division which portion shall be set aside and remain a part of such Division for the purpose of retiring all such bonds, may be used for the purpose of paying the principal and the interest thereon, together with the expenses herein authorized, of any other bonds heretofore or hereafter issued and sold by said Board. Such use shall be a matter for the discretion and direction of said Board; but there may be no such use of any such moneys contrary to the rights of any holder of any of the bonds issued and sold by said Board or violative of any contract to which said Board is a party.

"The Veterans' Land Fund shall be used by said Board for the purpose of purchasing lands situated in the State of Texas owned by

the United States or any governmental agency thereof, owned by the Texas Prison System or any other governmental agency of the State of Texas, or owned by any person, firm, or corporation. All lands thus purchased shall be acquired at the lowest price obtainable, to be paid for in cash, and shall be a part of said Fund. Such lands heretofore or hereafter purchased and comprising a part of said Fund are hereby declared to be held for a governmental purpose, although the individual purchasers thereof shall be subject to taxation to the same extent and in the same manner as are purchasers of lands dedicated to the Permanent Free Public School Fund.

"The lands of the Veterans' Land Fund shall be sold by said Board in such quantities, on such terms, at such prices, at such rates of interest and under such rules and regulations as are now or may hereafter be provided by law to veterans who served not less than ninety (90) continuous days, unless sooner discharged by reason of a service-connected disability, on active duty in the Army, Navy, Air Force, Coast Guard or Marine Corps of the United States after September 16, 1940, and who, upon the date of filing his or her application to purchase any such land is a citizen of the United States, is a bona fide resident of the State of Texas, and has not been dishonorably discharged from any branch of the Armed Forces above-named and who at the time of his or her enlistment, induction, commissioning, or drafting was a bona fide resident of the State of Texas, or who has resided in Texas at least five (5) years prior to the date of filing his or her

1 application, and provided that in the event of the death of an
 2 eligible Texas Veteran after the veteran has filed with the Board
 3 an application and contract of sale to purchase through the Board
 4 the tract selected by him or her and before the purchase has been
 5 completed, then the surviving spouse may complete the transaction.
 6 The unmarried surviving spouses of veterans who died in the line of
 7 duty may also apply to purchase a tract through the Board provided
 8 the deceased veterans meet the requirements set out in this Article
 9 with the exception that the deceased veterans need not have served
 10 ninety (90) continuous days and provided further that the deceased
 11 veterans were bona fide residents of the State of Texas at the time
 12 of enlistment, induction, commissioning, or drafting. The
 13 foregoing notwithstanding, any lands in the Veterans' Land Fund
 14 which have been first offered for sale to veterans and which have
 15 not been sold may be sold or resold to such purchasers, in such
 16 quantities, and on such terms, and at such prices and rates of
 17 interest, and under such rules and regulations as are now or may
 18 hereafter be provided by law.

19 "Said Veterans' Land Fund, to the extent of the moneys
 20 attributable to any bonds hereafter issued and sold by said Board
 21 may be used by said Board, as is now or may hereafter be provided
 22 by law, for the purpose of paying the expenses of surveying,
 23 monumenting, road construction, legal fees, recordation fees,
 24 advertising and other like costs necessary or incidental to the
 25 purchase and sale, or resale, of any lands purchased with any of
 26 the moneys attributable to such additional bonds, such expenses to

be added to the price of such lands when sold, or resold, by said Board; for the purpose of paying the expenses of issuing, selling, and delivering any such additional bonds; and for the purpose of meeting the expenses of paying the interest or principal due or to become due on any such additional bonds.

"All of the moneys attributable to any series of bonds hereafter issued and sold by said Board (a 'series of bonds' being all of the bonds issued and sold in a single transaction as a single installment of bonds) may be used for the purchase of lands as herein provided, to be sold as herein provided, for a period ending eight (8) years after the date of sale of such series of bonds; provided, however, that so much of such moneys as may be necessary to pay interest on bonds hereafter issued and sold shall be set aside for that purpose in accordance with the resolution adopted by said Board authorizing the issuance and sale of such series of bonds. After such eight (8) year period, all of such moneys shall be set aside for the retirement of any bonds hereafter issued and sold and to pay interest thereon, together with any expenses as provided herein, in accordance with the resolution or resolutions authorizing the issuance and sale of such additional bonds, until there are sufficient moneys to retire all of the bonds hereafter issued and sold, at which time all such moneys then remaining a part of said Veterans' Land Fund and thereafter becoming a part of said Fund shall be governed as elsewhere provided herein.

"This Amendment being intended only to establish a basic

1 framework and not to be a comprehensive treatment of the Veterans'
2 Land Program, there is hereby reposed in the Legislature full power
3 to implement and effectuate the design and objects of this
4 Amendment, including the power to delegate such duties,
5 responsibilities, functions, and authority to the Veterans' Land
6 Board as it believes necessary.

7 "Should the Legislature enact any enabling laws in
8 anticipation of this Amendment, no such law shall be void by reason
9 of its anticipatory nature.

10 "This Amendment shall become effective upon its adoption."

11 Sec. 2. The foregoing constitutional amendment shall be
12 submitted to a vote of the qualified electors of this state at an
13 election to be held on the first Tuesday after the first Monday in
14 November, 1977, at which election the ballots shall be printed to
15 provide for voting for or against the proposition: "The
16 constitutional amendment to provide for an additional \$200 million
17 in bonds or obligations of the State of Texas for the Veterans'
18 Land Fund and to allow surviving widows of veterans to purchase
19 tracts under certain circumstances."

1 By: Williams

S.J.R. No. 13

2 (In the Senate - Filed January 11, 1977; January 11, 1977,
3 read first time and referred to Committee on Finance; February 17,
4 1977, reported favorably, as amended; February 17, 1977, sent to
5 printer.)

6 COMMITTEE AMENDMENT NO. 1

By: Aikin

7 Amend the caption of Senate Joint Resolution 13, page 1,
8 line 22, by deleting the word "widows" and substituting in lieu
9 thereof "spouses".

10 COMMITTEE AMENDMENT NO. 2

By: Aikin

11 Amend Senate Joint Resolution No. 13, page 3, line 62, by
12 deleting the four words after the word "further" and deleting all
13 of line 63, page 4, lines 1, 2, 3, and the first eight words of
14 line 4, ending with the word "Board" and substituting in lieu
15 thereof: "that the deceased veterans were bona fide residents of
16 the State of Texas at the time of enlistment, induction,
17 commissioning or drafting."

18 SENATE JOINT RESOLUTION

19 proposing an amendment to Article III, Section 49-b, of the Texas
20 Constitution, as amended, to provide for an additional \$200 million
21 in bonds or obligations of the State of Texas for the Veterans'
22 Land Fund and to allow the surviving widows of veterans who died in
23 the line of duty to purchase tracts through the Veterans' Land
24 Board under certain circumstances.

25 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

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27 Constitution, be amended to read as follows:

28 "Section 49-b. By virtue of prior Amendments to this
29 Constitution, there has been created a governmental agency of the
30 State of Texas performing governmental duties which has been
31 designated the Veterans' Land Board. Said Board shall continue to
32 function for the purposes specified in all of the prior
33 Constitutional Amendments except as modified herein. Said Board
34 shall be composed of the Commissioner of the General Land Office
35 and two (2) citizens of the State of Texas, one (1) of whom shall
36 be well versed in veterans' affairs and one (1) of whom shall be
37 well versed in finances. One (1) such citizen member shall, with
38 the advice and consent of the Senate, be appointed biennially by
39 the Governor to serve for a term of four (4) years; but the members
40 serving on said Board on the date of adoption hereof shall complete
41 the terms to which they were appointed. In the event of the
42 resignation or death of any such citizen member, the Governor shall
43 appoint a replacement to serve for the unexpired portion of the
44 term to which the deceased or resigning member had been appointed.
45 The compensation for said citizen members shall be as is now or may
46 hereafter be fixed by the Legislature; and each shall make bond in
47 such amount as is now or may hereafter be prescribed by the
48 Legislature.

49 "The Commissioner of the General Land Office shall act as
50 Chairman of said Board and shall be the administrator of the
51 Veterans' Land Program under such terms and restrictions as are now
52 or may hereafter be provided by law. In the absence or illness of
53 said Commissioner, the Chief Clerk of the General Land Office shall
54 be the Acting Chairman of said Board with the same duties and
55 powers that said Commissioner would have if present.

56 "The Veterans' Land Board may provide for, issue and sell not
57 to exceed Seven Hundred Million Dollars (\$700,000,000) [Five

1 ~~Hundred--Million-Dollars--(\$500,000,000)~~ in bonds or obligations of
 2 the State of Texas for the purpose of creating a fund to be known
 3 as the Veterans' Land Fund, Five Hundred Million Dollars
 4 ~~(\$500,000,000) [Four-Hundred--Million--Dollars--(\$400,000,000)]~~ of
 5 which have heretofore been authorized ~~[issued-and-sold]~~. Such
 6 bonds or obligations shall be sold for not less than par value and
 7 accrued interest; shall be issued in such forms, denominations, and
 8 upon such terms as are now or may hereafter be provided by law;
 9 shall be issued and sold at such times, at such places, and in such
 10 installments as may be determined by said Board; and shall bear a
 11 rate or rates of interest as may be fixed by said Board but the
 12 weighted average annual interest rate, as that phrase is commonly
 13 and ordinarily used and understood in the municipal bond market, of
 14 all the bonds issued and sold in any installment of any bonds may
 15 not exceed the rate specified in Section 65 of this Article. All
 16 bonds or obligations issued and sold hereunder shall, after
 17 execution by the Board, approval by the Attorney General of Texas,
 18 registration by the Comptroller of Public Accounts of the State of
 19 Texas, and delivery to the purchaser or purchasers, be
 20 incontestable and shall constitute general obligations of the State
 21 of Texas under the Constitution of Texas; and all bonds heretofore
 22 issued and sold by said Board are hereby in all respects validated
 23 and declared to be general obligations of the State of Texas. In
 24 order to prevent default in the payment of principal or interest on
 25 any such bonds, the Legislature shall appropriate a sufficient
 26 amount to pay the same.

27 "In the sale of any such bonds or obligations, a preferential
 28 right of purchase shall be given to the administrators of the
 29 various Teacher Retirement Funds, the Permanent University Funds,
 30 and the Permanent School Funds.

31 "Said Veterans' Land Fund shall consist of any lands
 32 heretofore or hereafter purchased by said Board, until the sale
 33 price therefor, together with any interest and penalties due, have
 34 been received by said Board (although nothing herein shall be
 35 construed to prevent said Board from accepting full payment for a
 36 portion of any tract), and of the moneys attributable to any bonds
 37 heretofore or hereafter issued and sold by said Board which moneys
 38 so attributable shall include but shall not be limited to the
 39 proceeds from the issuance and sale of such bonds; the moneys
 40 received from the sale or resale of any lands, or rights therein,
 41 purchased with such proceeds; the moneys received from the sale or
 42 resale of any lands, or rights therein, purchased with other moneys
 43 attributable to such bonds; the interest and penalties received
 44 from the sale or resale of such lands, or rights therein; the
 45 bonuses, income, rents, royalties, and any other pecuniary benefit
 46 received by said Board from any such lands; sums received by way of
 47 indemnity or forfeiture for the failure of any bidder for the
 48 purchase of any such bonds to comply with his bid and accept and
 49 pay for such bonds or for the failure of any bidder for the
 50 purchase of any lands comprising a part of said Fund to comply with
 51 his bid and accept and pay for any such lands; and interest
 52 received from investments of any such moneys. The principal and
 53 interest on the bonds heretofore and hereafter issued by said Board
 54 shall be paid out of the moneys of said Fund in conformance with
 55 the Constitutional provisions authorizing such bonds; but the
 56 moneys of said Fund which are not immediately committed to the
 57 payment of principal and interest on such bonds, the purchase of
 58 lands as herein provided, or the payment of expenses as herein
 59 provided may be invested in bonds or obligations of the United
 60 States until such funds are needed for such purposes.

61 "All moneys comprising a part of said Fund and not expended
 62 for the purposes herein provided shall be a part of said Fund until
 63 there are sufficient moneys therein to retire fully all of the

bonds heretofore or hereafter issued and sold by said Board, at which time all such moneys remaining in said Fund, except such portion thereof as may be necessary to retire all such bonds which portion shall be set aside and retained in said Fund for the purpose of retiring all such bonds, shall be deposited to the credit of the General Revenue Fund to be appropriated to such purposes as may be prescribed by law. All moneys becoming a part of said Fund thereafter ~~[thereunder]~~ shall likewise be deposited to the credit of the General Revenue Fund.

"When a Division of said Fund (each Division consisting of the moneys attributable to the bonds issued and sold pursuant to a single Constitutional authorization and the lands purchased therewith) contains sufficient moneys to retire all of the bonds secured by such Division, the moneys thereof, except such portion as may be needed to retire all of the bonds secured by such Division which portion shall be set aside and remain a part of such Division for the purpose of retiring all such bonds, may be used for the purpose of paying the principal and the interest thereon, together with the expenses herein authorized, of any other bonds heretofore or hereafter issued and sold by said Board. Such use shall be a matter for the discretion and direction of said Board; but there may be no such use of any such moneys contrary to the rights of any holder of any of the bonds issued and sold by said Board or violative of any contract to which said Board is a party.

"The Veterans' Land Fund shall be used by said Board for the purpose of purchasing lands situated in the State of Texas owned by the United States or any governmental agency thereof, owned by the Texas Prison System or any other governmental agency of the State of Texas, or owned by any person, firm, or corporation. All lands thus purchased shall be acquired at the lowest price obtainable, to be paid for in cash, and shall be a part of said Fund. Such lands heretofore or hereafter purchased and comprising a part of said Fund are hereby declared to be held for a governmental purpose, although the individual purchasers thereof shall be subject to taxation to the same extent and in the same manner as are purchasers of lands dedicated to the Permanent Free Public School Fund.

"The lands of the Veterans' Land Fund shall be sold by said Board in such quantities, on such terms, at such prices, at such rates of interest and under such rules and regulations as are now or may hereafter be provided by law to veterans who served not less than ninety (90) continuous days, unless sooner discharged by reason of a service-connected disability, on active duty in the Army, Navy, Air Force, Coast Guard or Marine Corps of the United States after September 16, 1940, and who, upon the date of filing his or her application to purchase any such land is a citizen of the United States, is a bona fide resident of the State of Texas, and has not been dishonorably discharged from any branch of the Armed Forces above-named and who at the time of his or her enlistment, induction, commissioning, or drafting was a bona fide resident of the State of Texas, or who has resided in Texas at least five (5) years prior to the date of filing his or her application, and provided that in the event of the death of an eligible Texas Veteran after the veteran has filed with the Board an application and contract of sale to purchase through the Board the tract selected by him or her and before the purchase has been completed, then the surviving spouse may complete the transaction. The unmarried surviving spouses of veterans who died in the line of duty may also apply to purchase a tract through the Board provided the deceased veterans meet the requirements set out in this Article with the exception that the deceased veterans need not have served ninety (90) continuous days and provided further that in the event the deceased veterans were not bona fide residents of the State of

1 Texas at the time of enlistment, induction, commissioning or
2 drafting, the unmarried surviving spouses of the deceased veterans
3 must have resided in Texas at least five (5) years prior to the
4 date of filing an application with the Board. The foregoing
5 notwithstanding, any lands in the Veterans' Land Fund which have
6 been first offered for sale to veterans and which have not been
7 sold may be sold or resold to such purchasers, in such quantities,
8 and on such terms, and at such prices and rates of interest, and
9 under such rules and regulations as are now or may hereafter be
10 provided by law.

11 "Said Veterans' Land Fund, to the extent of the moneys
12 attributable to any bonds hereafter issued and sold by said Board
13 may be used by said Board, as is now or may hereafter be provided
14 by law, for the purpose of paying the expenses of surveying,
15 monumenting, road construction, legal fees, recordation fees,
16 advertising and other like costs necessary or incidental to the
17 purchase and sale, or resale, of any lands purchased with any of
18 the moneys attributable to such additional bonds, such expenses to
19 be added to the price of such lands when sold, or resold, by said
20 Board; for the purpose of paying the expenses of issuing, selling,
21 and delivering any such additional bonds; and for the purpose of
22 meeting the expenses of paying the interest or principal due or to
23 become due on any such additional bonds.

24 "All of the moneys attributable to any series of bonds
25 hereafter issued and sold by said Board (a 'series of bonds' being
26 all of the bonds issued and sold in a single transaction as a
27 single installment of bonds) may be used for the purchase of lands
28 as herein provided, to be sold as herein provided, for a period
29 ending eight (8) years after the date of sale of such series of
30 bonds; provided, however, that so much of such moneys as may be
31 necessary to pay interest on bonds hereafter issued and sold shall
32 be set aside for that purpose in accordance with the resolution
33 adopted by said Board authorizing the issuance and sale of such
34 series of bonds. After such eight (8) year period, all of such
35 moneys shall be set aside for the retirement of any bonds hereafter
36 issued and sold and to pay interest thereon, together with any
37 expenses as provided herein, in accordance with the resolution or
38 resolutions authorizing the issuance and sale of such additional
39 bonds, until there are sufficient moneys to retire all of the bonds
40 hereafter issued and sold, at which time all such moneys then
41 remaining a part of said Veterans' Land Fund and thereafter
42 becoming a part of said Fund shall be governed as elsewhere
43 provided herein.

44 "This Amendment being intended only to establish a basic
45 framework and not to be a comprehensive treatment of the Veterans'
46 Land Program, there is hereby reposed in the Legislature full power
47 to implement and effectuate the design and objects of this
48 Amendment, including the power to delegate such duties,
49 responsibilities, functions, and authority to the Veterans' Land
50 Board as it believes necessary.

51 "Should the Legislature enact any enabling laws in
52 anticipation of this Amendment, no such law shall be void by reason
53 of its anticipatory nature.

54 "This Amendment shall become effective upon its adoption."

55 Sec. 2. The foregoing constitutional amendment shall be
56 submitted to a vote of the qualified electors of this state at an
57 election to be held on the first Tuesday after the first Monday in
58 November, 1977, at which election the ballots shall be printed to
59 provide for voting for or against the proposition: "The
60 constitutional amendment to provide for an additional \$200 million
61 in bonds or obligations of the State of Texas for the Veterans'
62 Land Fund and to allow surviving widows of veterans to purchase
63 tracts under certain circumstances."

* * * * *

Austin, Texas
February 17, 1977

Hon. William P. Hobby
President of the Senate

Sir:

We, your Committee on Finance, to which was referred S.J.R. No. 13, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass, as amended, and be printed.

Aikin, Chairman

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE

January 24, 1977


Honorable A. M. Aikin, Jr., Chairman
Committee on Finance
Senate Chamber
Austin, Texas

In Re: Senate Joint Resolution
No. 13
By: Williams

Sir:

In response to your request pursuant to Senate Rule 94, Subsection (g), this office finds the fiscal implications of Senate Joint Resolution No. 13 (proposing an amendment to the Texas Constitution to provide for an additional \$200 million in bonds or obligations of the State of Texas for the Veterans' Land Fund) to be as follows:

No fiscal implications or additional cost to the State over the amounts proposed in the General Appropriation Bill, or to statewide units of local government, attributable to the Senate Joint Resolution, should it be approved by the electorate, is anticipated except for the cost of publication estimated to be \$35,000 for fiscal year 1978.


Thomas M. Keel
Director

Source: LBB staff; Secretary of State.

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE

January 24, 1977

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Committee on Finance
Senate Chamber
Austin, Texas

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In response to your request pursuant to Senate Rule 94, Subsection (g), this office finds the fiscal implications of Senate Joint Resolution No. 13 (proposing an amendment to the Texas Constitution to provide for an additional \$200 million in bonds or obligations of the State of Texas for the Veterans' Land Fund) to be as follows:

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Thomas M. Keel
Director

Source: LBB staff; Secretary of State.

234
KHSEE

S. J. R. No. 13

COMMITTEE AMENDMENT NO. 1

Amend the caption of Senate Joint Resolution 13, page (1),
line (5), by deleting the word "widows" and substituting
in lieu thereof "spouses".

John

mg
ADOPTED

FEB 21 1977

Robert King
Secretary of the Senate

Insert 1

S. J. R. No. 13

COMMITTEE AMENDMENT NO. 2

Amend Senate Joint Resolution No. 13, page 7, line 10,
by deleting the four words after the word "further" and
deleting all of line 11, 12, 13, 14, and the first eight
words of line 15, ending with the word "board" and
substituting in lieu thereof: "that the deceased veterans
were bona fide residents of the State of Texas at the time
of enlistment, induction, commissioning or drafting."

Adkins *ml*

ADOPTED

FEB 21 1977

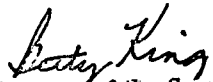
Betty King
Secretary of the Senate

Amend *(2)*

Amend the caption to conform to the
body of the bill

ADOPTED

FEB 21 1977


Secretary of the Senate

Feb. 21 1977 Engrossed

Patsy Law
Engrossing Clerk

By: Williams

S.J.R. No. 13

i. SENATE JOINT RESOLUTION

2 proposing an amendment to Article III, Section 49-b, of the Texas
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21 the advice and consent of the Senate, be appointed biennially by
22 the Governor to serve for a term of four (4) years; but the members
23 serving on said Board on the date of adoption hereof shall complete
24 the terms to which they were appointed. In the event of the
25 resignation or death of any such citizen member, the Governor shall

1 appoint a replacement to serve for the unexpired portion of the
2 term to which the deceased or resigning member had been appointed.
3 The compensation for said citizen members shall be as is now or may
4 hereafter be fixed by the Legislature; and each shall make bond in
5 such amount as is now or may hereafter be prescribed by the
6 Legislature.

7 "The Commissioner of the General Land Office shall act as
8 Chairman of said Board and shall be the administrator of the
9 Veterans' Land Program under such terms and restrictions as are now
10 or may hereafter be provided by law. In the absence or illness of
11 said Commissioner, the Chief Clerk of the General Land Office shall
12 be the Acting Chairman of said Board with the same duties and
13 powers that said Commissioner would have if present.

14 "The Veterans' Land Board may provide for, issue and sell not
15 to exceed Seven Hundred Million Dollars (\$700,000,000) [~~Five~~
16 ~~Hundred Million Dollars (\$500,000,000)~~] in bonds or obligations of
17 the State of Texas for the purpose of creating a fund to be known
18 as the Veterans' Land Fund, Five Hundred Million Dollars
19 (\$500,000,000) [~~Four Hundred Million Dollars (\$400,000,000)~~] of
20 which have heretofore been authorized [~~issued and sold~~]. Such
21 bonds or obligations shall be sold for not less than par value and
22 accrued interest; shall be issued in such forms, denominations, and
23 upon such terms as are now or may hereafter be provided by law;
24 shall be issued and sold at such times, at such places, and in such
25 installments as may be determined by said Board; and shall bear a
26 rate or rates of interest as may be fixed by said Board but the

1 weighted average annual interest rate, as that phrase is commonly
2 and ordinarily used and understood in the municipal bond market, of
3 all the bonds issued and sold in any installment of any bonds may
4 not exceed the rate specified in Section 65 of this Article. All
5 bonds or obligations issued and sold hereunder shall, after
6 execution by the Board, approval by the Attorney General of Texas,
7 registration by the Comptroller of Public Accounts of the State of
8 Texas, and delivery to the purchaser or purchasers, be
9 incontestable and shall constitute general obligations of the State
10 of Texas under the Constitution of Texas; and all bonds heretofore
11 issued and sold by said Board are hereby in all respects validated
12 and declared to be general obligations of the State of Texas. In
13 order to prevent default in the payment of principal or interest on
14 any such bonds, the Legislature shall appropriate a sufficient
15 amount to pay the same.

16 "In the sale of any such bonds or obligations, a preferential
17 right of purchase shall be given to the administrators of the
18 various Teacher Retirement Funds, the Permanent University Funds,
19 and the Permanent School Funds.

20 "Said Veterans' Land Fund shall consist of any lands
21 heretofore or hereafter purchased by said Board, until the sale
22 price therefor, together with any interest and penalties due, have
23 been received by said Board (although nothing herein shall be
24 construed to prevent said Board from accepting full payment for a
25 portion of any tract), and of the moneys attributable to any bonds
26 heretofore or hereafter issued and sold by said Board which moneys

1 so attributable shall include but shall not be limited to the
2 proceeds from the issuance and sale of such bonds; the moneys
3 received from the sale or resale of any lands, or rights therein,
4 purchased with such proceeds; the moneys received from the sale or
5 resale of any lands, or rights therein, purchased with other moneys
6 attributable to such bonds; the interest and penalties received
7 from the sale or resale of such lands, or rights therein; the
8 bonuses, income, rents, royalties, and any other pecuniary benefit
9 received by said Board from any such lands; sums received by way of
10 indemnity or forfeiture for the failure of any bidder for the
11 purchase of any such bonds to comply with his bid and accept and
12 pay for such bonds or for the failure of any bidder for the
13 purchase of any lands comprising a part of said Fund to comply with
14 his bid and accept and pay for any such lands; and interest
15 received from investments of any such moneys. The principal and
16 interest on the bonds heretofore and hereafter issued by said Board
17 shall be paid out of the moneys of said Fund in conformance with
18 the Constitutional provisions authorizing such bonds; but the
19 moneys of said Fund which are not immediately committed to the
20 payment of principal and interest on such bonds, the purchase of
21 lands as herein provided, or the payment of expenses as herein
22 provided may be invested in bonds or obligations of the United
23 States until such funds are needed for such purposes.

24 "All moneys comprising a part of said Fund and not expended
25 for the purposes herein provided shall be a part of said Fund until
26 there are sufficient moneys therein to retire fully all of the

bonds heretofore or hereafter issued and sold by said Board, at which time all such moneys remaining in said Fund, except such portion thereof as may be necessary to retire all such bonds which portion shall be set aside and retained in said Fund for the purpose of retiring all such bonds, shall be deposited to the credit of the General Revenue Fund to be appropriated to such purposes as may be prescribed by law. All moneys becoming a part of said Fund ~~thereafter~~ [thereunder] shall likewise be deposited to the credit of the General Revenue Fund.

"When a Division of said Fund (each Division consisting of the moneys attributable to the bonds issued and sold pursuant to a single Constitutional authorization and the lands purchased therewith) contains sufficient moneys to retire all of the bonds secured by such Division, the moneys thereof, except such portion as may be needed to retire all of the bonds secured by such Division which portion shall be set aside and remain a part of such Division for the purpose of retiring all such bonds, may be used for the purpose of paying the principal and the interest thereon, together with the expenses herein authorized, of any other bonds heretofore or hereafter issued and sold by said Board. Such use shall be a matter for the discretion and direction of said Board; but there may be no such use of any such moneys contrary to the rights of any holder of any of the bonds issued and sold by said Board or violative of any contract to which said Board is a party.

"The Veterans' Land Fund shall be used by said Board for the purpose of purchasing lands situated in the State of Texas owned by

1 the United States or any governmental agency thereof, owned by the
2 Texas Prison System or any other governmental agency of the State
3 of Texas, or owned by any person, firm, or corporation. All lands
4 thus purchased shall be acquired at the lowest price obtainable, to
5 be paid for in cash, and shall be a part of said Fund. Such lands
6 heretofore or hereafter purchased and comprising a part of said
7 Fund are hereby declared to be held for a governmental purpose,
8 although the individual purchasers thereof shall be subject to
9 taxation to the same extent and in the same manner as are
10 purchasers of lands dedicated to the Permanent Free Public School
11 Fund.

12 "The lands of the Veterans' Land Fund shall be sold by said
13 Board in such quantities, on such terms, at such prices, at such
14 rates of interest and under such rules and regulations as are now
15 or may hereafter be provided by law to veterans who served not less
16 than ninety (90) continuous days, unless sooner discharged by
17 reason of a service-connected disability, on active duty in the
18 Army, Navy, Air Force, Coast Guard or Marine Corps of the United
19 States after September 16, 1940, and who, upon the date of filing
20 his or her application to purchase any such land is a citizen of
21 the United States, is a bona fide resident of the State of Texas,
22 and has not been dishonorably discharged from any branch of the
23 Armed Forces above-named and who at the time of his or her
24 enlistment, induction, commissioning, or drafting was a bona fide
25 resident of the State of Texas, or who has resided in Texas at
26 least five (5) years prior to the date of filing his or her

1. application, and provided that in the event of the death of an
 2 eligible Texas Veteran after the veteran has filed with the Board
 3 an application and contract of sale to purchase through the Board
 4 the tract selected by him or her and before the purchase has been
 5 completed, then the surviving spouse may complete the transaction.
 6 The unmarried surviving spouses of veterans who died in the line of
 7 duty may also apply to purchase a tract through the Board provided
 8 the deceased veterans meet the requirements set out in this Article
 9 with the exception that the deceased veterans need not have served
 10 ninety (90) continuous days and provided further that the deceased
 11 veterans were bona fide residents of the State of Texas at the time
 12 of enlistment, induction, commissioning, or drafting. The
 13 foregoing notwithstanding, any lands in the Veterans' Land Fund
 14 which have been first offered for sale to veterans and which have
 15 not been sold may be sold or resold to such purchasers, in such
 16 quantities, and on such terms, and at such prices and rates of
 17 interest, and under such rules and regulations as are now or may
 18 hereafter be provided by law.

19 "Said Veterans' Land Fund, to the extent of the moneys
 20 attributable to any bonds hereafter issued and sold by said Board
 21 may be used by said Board, as is now or may hereafter be provided
 22 by law, for the purpose of paying the expenses of surveying,
 23 monumenting, road construction, legal fees, recordation fees,
 24 advertising and other like costs necessary or incidental to the
 25 purchase and sale, or resale, of any lands purchased with any of
 26 the moneys attributable to such additional bonds, such expenses to

be added to the price of such lands when sold, or resold, by said Board; for the purpose of paying the expenses of issuing, selling, and delivering any such additional bonds; and for the purpose of meeting the expenses of paying the interest or principal due or to become due on any such additional bonds.

"All of the moneys attributable to any series of bonds hereafter issued and sold by said Board (a 'series of bonds' being all of the bonds issued and sold in a single transaction as a single installment of bonds) may be used for the purchase of lands as herein provided, to be sold as herein provided, for a period ending eight (8) years after the date of sale of such series of bonds; provided, however, that so much of such moneys as may be necessary to pay interest on bonds hereafter issued and sold shall be set aside for that purpose in accordance with the resolution adopted by said Board authorizing the issuance and sale of such series of bonds. After such eight (8) year period, all of such moneys shall be set aside for the retirement of any bonds hereafter issued and sold and to pay interest thereon, together with any expenses as provided herein, in accordance with the resolution or resolutions authorizing the issuance and sale of such additional bonds, until there are sufficient moneys to retire all of the bonds hereafter issued and sold, at which time all such moneys then remaining a part of said Veterans' Land Fund and thereafter becoming a part of said Fund shall be governed as elsewhere provided herein.

"This Amendment being intended only to establish a basic

1 framework and not to be a comprehensive treatment of the Veterans'
2 Land Program, there is hereby reposed in the Legislature full power
3 to implement and effectuate the design and objects of this
4 Amendment, including the power to delegate such duties,
5 responsibilities, functions, and authority to the Veterans' Land
6 Board as it believes necessary.

7 "Should the Legislature enact any enabling laws in
8 anticipation of this Amendment, no such law shall be void by reason
9 of its anticipatory nature.

10 "This Amendment shall become effective upon its adoption."

11 Sec. 2. The foregoing constitutional amendment shall be
12 submitted to a vote of the qualified electors of this state at an
13 election to be held on the first Tuesday after the first Monday in
14 November, 1977, at which election the ballots shall be printed to
15 provide for voting for or against the proposition: "The
16 constitutional amendment to provide for an additional \$200 million
17 in bonds or obligations of the State of Texas for the Veterans'
18 Land Fund and to allow surviving widows of veterans to purchase
19 tracts under certain circumstances."

COMMITTEE REPORT

The Honorable Bill Clayton
Speaker of the House of Representatives

5/4/77

(date)

Sir:

We, your COMMITTEE ON CONSTITUTIONAL AMENDMENTS, to whom was referred
have had the same under consideration and beg to report back with the recommendation that it

SJR 13

(measure)

- (X) do pass, without amendment.
() do pass, with amendment(s).
() do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.

A fiscal note was requested on 4/27/77 and is attached as part of this report.
(date)

~~Author's fiscal statement attached.~~

~~The Committee recommends that this measure be placed on the (Local / Consent) Calendar.~~

This measure (X) proposes new law.
() amends existing law.

House Sponsor of Senate Measure EDWARDS

The measure was reported from Committee by the following vote:

	AYE	NAY	PNV	ABSENT
Von Dohlen	✓			
Jones	✓			
Bryant	✓			
Clark, B.	✓			
Close	✓			
Hendricks	✓			
Johnson	✓			
Robbins	✓			
Schieffer				✓

Total: 8 aye
0 nay
0 present, not voting
1 absent

Tina Von Dohlen
CHAIRMAN

Reynolds
COMMITTEE COORDINATOR

BILL ANALYSIS

Background Information

Article III, Section 49 (b) of the Texas Constitution currently details the Veteran's Land Program. Section 49 (b) details the duties of the Veteran's Land Board in providing for, issuing, and selling bonds or obligations of the State of Texas for the purpose of creating the Veteran's Land Fund. Veteran's Land Fund consists of any land purchased by the Veteran's Land Board together with any interest and penalties due and received by the Board. The proceeds of the Veteran's Land Fund are to be used by the Veteran's Land Board for the purpose of purchasing land situated in the State of Texas. The lands of the Veteran's Land Fund are to be sold by the Board in such quantities and on such terms and at such rates of interest as may be determined by law to veterans who serve not less than 90 continuous days on active duty in the Army, Navy, Air Force, Coast Guard or Marine Corps of the United States after September 16, 1940 and who, upon the date of filing his or her application, is a bonafide resident of the State of Texas or who, at the date of his or her enlistment, induction, commissioning, or drafting, was a bonafide resident of the State of Texas or who has resided in Texas at five years prior to the date of filing his or her application.

The Veteran's Land Program currently provides that the Veteran's Land Board may issue and sell no more than \$500 million in bonds or obligations.

Purpose of the Resolution

To provide for an additional \$200 million in bonds or obligations for the Veteran's Land Fund and to allow the surviving spouses of veterans who died in the line of duty to purchase tracts through the Veteran's Land Board.

Section-by-section Analysis

Section 1. Amends Article III, Section 49 (b) of the Constitution to provide the following:

- 1) Increases from \$500 million to \$700 million the amount of bonds or obligations that the Veteran's Land Board may issue; and
- 2) Provides that the unmarried surviving spouse of a veteran who died in the line of duty may apply to purchase a tract through the Veteran's Land Board provided that the deceased veteran met the requirements set out in Article III. The one exception is that the deceased veteran need not have 90 continuous days in service.

Section 2. Provides that the constitutional amendment be submitted to the voters at the general election in November 1977.

Summary of Committee Action

Public notice having been posted in compliance with Rule V, Section 14, the Committee considered S.J.R. 13 in public hearing on May 4, 1977. After receiving public testimony, the measure was reported to the House favorably by a vote of eight ayes and no nays.

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE

April 27, 1977


Honorable Tim Von Dohlen, Chairman
Committee on Constitutional Amendment
House of Representatives
Austin, Texas

In Re: Senate Joint Resolution
No. 13
By: Williams, as engrossed

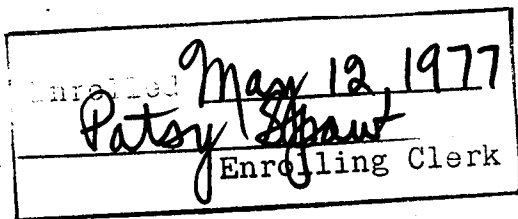
Sir:

In response to your request pursuant to House Rule V, Section 28, this office finds the fiscal implications of Senate Joint Resolution No. 13 (proposing an amendment to the Texas Constitution to provide for an additional \$200 million in bonds or obligations of the State of Texas for the Veterans' Land Fund) to be as follows:

No fiscal implications or additional cost to the State over the amounts proposed in the General Appropriation Bill, or to statewide units of local government, attributable to the Senate Joint Resolution, should it be approved by the electorate, is anticipated except for the cost of publication estimated to be \$35,000 for fiscal year 1978.


Thomas M. Keel
Director

Source: Secretary of State; LBB Staff



S.J.R. No. 13

SENATE JOINT RESOLUTION

proposing an amendment to Article III, Section 49-b, of the Texas Constitution, as amended, to provide for an additional \$200 million in bonds or obligations of the State of Texas for the Veterans' Land Fund and to allow the surviving spouses of veterans who died in the line of duty to purchase tracts through the Veterans' Land Board under certain circumstances.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

Section 1. That Article III, Section 49-b, of the Texas Constitution, be amended to read as follows:

"Section 49-b. By virtue of prior Amendments to this Constitution, there has been created a governmental agency of the State of Texas performing governmental duties which has been designated the Veterans' Land Board. Said Board shall continue to function for the purposes specified in all of the prior Constitutional Amendments except as modified herein. Said Board shall be composed of the Commissioner of the General Land Office and two (2) citizens of the State of Texas, one (1) of whom shall be well versed in veterans' affairs and one (1) of whom shall be well versed in finances. One (1) such citizen member shall, with the advice and consent of the Senate, be appointed biennially by the Governor to serve for a term of four (4) years; but the members serving on said Board on the date of adoption hereof shall complete the terms to which they were appointed. In the event of the resignation or death of any such citizen member, the Governor shall

1 appoint a replacement to serve for the unexpired portion of the
2 term to which the deceased or resigning member had been appointed.
3 The compensation for said citizen members shall be as is now or may
4 hereafter be fixed by the Legislature; and each shall make bond in
5 such amount as is now or may hereafter be prescribed by the
6 Legislature.

7 "The Commissioner of the General Land Office shall act as
8 Chairman of said Board and shall be the administrator of the
9 Veterans' Land Program under such terms and restrictions as are now
10 or may hereafter be provided by law. In the absence or illness of
11 said Commissioner, the Chief Clerk of the General Land Office shall
12 be the Acting Chairman of said Board with the same duties and
13 powers that said Commissioner would have if present.

14 "The Veterans' Land Board may provide for, issue and sell not
15 to exceed Seven Hundred Million Dollars (\$700,000,000) [~~Five~~
16 ~~Hundred Million Dollars (\$500,000,000)~~] in bonds or obligations of
17 the State of Texas for the purpose of creating a fund to be known
18 as the Veterans' Land Fund, Five Hundred Million Dollars
19 (\$500,000,000) [~~Four Hundred Million Dollars (\$400,000,000)~~] of
20 which have heretofore been authorized [~~issued and sold~~]. Such
21 bonds or obligations shall be sold for not less than par value and
22 accrued interest; shall be issued in such forms, denominations, and
23 upon such terms as are now or may hereafter be provided by law;
24 shall be issued and sold at such times, at such places, and in such
25 installments as may be determined by said Board; and shall bear a
26 rate or rates of interest as may be fixed by said Board but the

1 weighted average annual interest rate, as that phrase is commonly
 2 and ordinarily used and understood in the municipal bond market, of
 3 all the bonds issued and sold in any installment of any bonds may
 4 not exceed the rate specified in Section 65 of this Article. All
 5 bonds or obligations issued and sold hereunder shall, after
 6 execution by the Board, approval by the Attorney General of Texas,
 7 registration by the Comptroller of Public Accounts of the State of
 8 Texas, and delivery to the purchaser or purchasers, be
 9 incontestable and shall constitute general obligations of the State
 10 of Texas under the Constitution of Texas; and all bonds heretofore
 11 issued and sold by said Board are hereby in all respects validated
 12 and declared to be general obligations of the State of Texas. In
 13 order to prevent default in the payment of principal or interest on
 14 any such bonds, the Legislature shall appropriate a sufficient
 15 amount to pay the same.

16 "In the sale of any such bonds or obligations, a preferential
 17 right of purchase shall be given to the administrators of the
 18 various Teacher Retirement Funds, the Permanent University Funds,
 19 and the Permanent School Funds.

20 "Said Veterans' Land Fund shall consist of any lands
 21 heretofore or hereafter purchased by said Board, until the sale
 22 price therefor, together with any interest and penalties due, have
 23 been received by said Board (although nothing herein shall be
 24 construed to prevent said Board from accepting full payment for a
 25 portion of any tract), and of the moneys attributable to any bonds
 26 heretofore or hereafter issued and sold by said Board which moneys

1 so attributable shall include but shall not be limited to the
2 proceeds from the issuance and sale of such bonds; the moneys
3 received from the sale or resale of any lands, or rights therein,
4 purchased with such proceeds; the moneys received from the sale or
5 resale of any lands, or rights therein, purchased with other moneys
6 attributable to such bonds; the interest and penalties received
7 from the sale or resale of such lands, or rights therein; the
8 bonuses, income, rents, royalties, and any other pecuniary benefit
9 received by said Board from any such lands; sums received by way of
10 indemnity or forfeiture for the failure of any bidder for the
11 purchase of any such bonds to comply with his bid and accept and
12 pay for such bonds or for the failure of any bidder for the
13 purchase of any lands comprising a part of said Fund to comply with
14 his bid and accept and pay for any such lands; and interest
15 received from investments of any such moneys. The principal and
16 interest on the bonds heretofore and hereafter issued by said Board
17 shall be paid out of the moneys of said Fund in conformance with
18 the Constitutional provisions authorizing such bonds; but the
19 moneys of said Fund which are not immediately committed to the
20 payment of principal and interest on such bonds, the purchase of
21 lands as herein provided, or the payment of expenses as herein
22 provided may be invested in bonds or obligations of the United
23 States until such funds are needed for such purposes.

24 "All moneys comprising a part of said Fund and not expended
25 for the purposes herein provided shall be a part of said Fund until
26 there are sufficient moneys therein to retire fully all of the

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1 bonds heretofore or hereafter issued and sold by said Board, at
2 which time all such moneys remaining in said Fund, except such
3 portion thereof as may be necessary to retire all such bonds which
4 portion shall be set aside and retained in said Fund for the
5 purpose of retiring all such bonds, shall be deposited to the
6 credit of the General Revenue Fund to be appropriated to such
7 purposes as may be prescribed by law. All moneys becoming a part
8 of said Fund ~~thereafter~~ ~~[thereunder]~~ shall likewise be deposited to
9 the credit of the General Revenue Fund.

10 "When a Division of said Fund (each Division consisting of
11 the moneys attributable to the bonds issued and sold pursuant to a
12 single Constitutional authorization and the lands purchased
13 therewith) contains sufficient moneys to retire all of the bonds
14 secured by such Division, the moneys thereof, except such portion
15 as may be needed to retire all of the bonds secured by such
16 Division which portion shall be set aside and remain a part of such
17 Division for the purpose of retiring all such bonds, may be used
18 for the purpose of paying the principal and the interest thereon,
19 together with the expenses herein authorized, of any other bonds
20 heretofore or hereafter issued and sold by said Board. Such use
21 shall be a matter for the discretion and direction of said Board;
22 but there may be no such use of any such moneys contrary to the
23 rights of any holder of any of the bonds issued and sold by said
24 Board or violative of any contract to which said Board is a party.

25 "The Veterans' Land Fund shall be used by said Board for the
26 purpose of purchasing lands situated in the State of Texas owned by

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1 the United States or any governmental agency thereof, owned by the
2 Texas Prison System or any other governmental agency of the State
3 of Texas, or owned by any person, firm, or corporation. All lands
4 thus purchased shall be acquired at the lowest price obtainable, to
5 be paid for in cash, and shall be a part of said Fund. Such lands
6 heretofore or hereafter purchased and comprising a part of said
7 Fund are hereby declared to be held for a governmental purpose,
8 although the individual purchasers thereof shall be subject to
9 taxation to the same extent and in the same manner as are
10 purchasers of lands dedicated to the Permanent Free Public School
11 Fund.

12 "The lands of the Veterans' Land Fund shall be sold by said
13 Board in such quantities, on such terms, at such prices, at such
14 rates of interest and under such rules and regulations as are now
15 or may hereafter be provided by law to veterans who served not less
16 than ninety (90) continuous days, unless sooner discharged by
17 reason of a service-connected disability, on active duty in the
18 Army, Navy, Air Force, Coast Guard or Marine Corps of the United
19 States after September 16, 1940, and who, upon the date of filing
20 his or her application to purchase any such land is a citizen of
21 the United States, is a bona fide resident of the State of Texas,
22 and has not been dishonorably discharged from any branch of the
23 Armed Forces above-named and who at the time of his or her
24 enlistment, induction, commissioning, or drafting was a bona fide
25 resident of the State of Texas, or who has resided in Texas at
26 least five (5) years prior to the date of filing his or her

1 application, and provided that in the event of the death of an
 2 eligible Texas Veteran after the veteran has filed with the Board
 3 an application and contract of sale to purchase through the Board
 4 the tract selected by him or her and before the purchase has been
 5 completed, then the surviving spouse may complete the transaction.
 6 The unmarried surviving spouses of veterans who died in the line of
 7 duty may also apply to purchase a tract through the Board provided
 8 the deceased veterans meet the requirements set out in this Article
 9 with the exception that the deceased veterans need not have served
 10 ninety (90) continuous days and provided further that the deceased
 11 veterans were bona fide residents of the State of Texas at the time
 12 of enlistment, induction, commissioning, or drafting. The
 13 foregoing notwithstanding, any lands in the Veterans' Land Fund
 14 which have been first offered for sale to veterans and which have
 15 not been sold may be sold or resold to such purchasers, in such
 16 quantities, and on such terms, and at such prices and rates of
 17 interest, and under such rules and regulations as are now or may
 18 hereafter be provided by law.

19 "Said Veterans' Land Fund, to the extent of the moneys
 20 attributable to any bonds hereafter issued and sold by said Board
 21 may be used by said Board, as is now or may hereafter be provided
 22 by law, for the purpose of paying the expenses of surveying,
 23 monumenting, road construction, legal fees, recordation fees,
 24 advertising and other like costs necessary or incidental to the
 25 purchase and sale, or resale, of any lands purchased with any of
 26 the moneys attributable to such additional bonds, such expenses to

1 be added to the price of such lands when sold, or resold, by said
2 Board; for the purpose of paying the expenses of issuing, selling,
3 and delivering any such additional bonds; and for the purpose of
4 meeting the expenses of paying the interest or principal due or to
5 become due on any such additional bonds.

6 "All of the moneys attributable to any series of bonds
7 hereafter issued and sold by said Board (a 'series of bonds' being
8 all of the bonds issued and sold in a single transaction as a
9 single installment of bonds) may be used for the purchase of lands
10 as herein provided, to be sold as herein provided, for a period
11 ending eight (8) years after the date of sale of such series of
12 bonds; provided, however, that so much of such moneys as may be
13 necessary to pay interest on bonds hereafter issued and sold shall
14 be set aside for that purpose in accordance with the resolution
15 adopted by said Board authorizing the issuance and sale of such
16 series of bonds. After such eight (8) year period, all of such
17 moneys shall be set aside for the retirement of any bonds hereafter
18 issued and sold and to pay interest thereon, together with any
19 expenses as provided herein, in accordance with the resolution or
20 resolutions authorizing the issuance and sale of such additional
21 bonds, until there are sufficient moneys to retire all of the bonds
22 hereafter issued and sold, at which time all such moneys then
23 remaining a part of said Veterans' Land Fund and thereafter
24 becoming a part of said Fund shall be governed as elsewhere
25 provided herein.

26 "This Amendment being intended only to establish a basic

1 framework and not to be a comprehensive treatment of the Veterans'
2 Land Program, there is hereby reposed in the Legislature full power
3 to implement and effectuate the design and objects of this
4 Amendment, including the power to delegate such duties,
5 responsibilities, functions, and authority to the Veterans' Land
6 Board as it believes necessary.

7 "Should the Legislature enact any enabling laws in
8 anticipation of this Amendment, no such law shall be void by reason
9 of its anticipatory nature.

10 "This Amendment shall become effective upon its adoption."

11 Sec. 2. The foregoing constitutional amendment shall be
12 submitted to a vote of the qualified electors of this state at an
13 election to be held on the first Tuesday after the first Monday in
14 November, 1977, at which election the ballots shall be printed to
15 provide for voting for or against the proposition: "The
16 constitutional amendment to provide for an additional \$200 million
17 in bonds or obligations of the State of Texas for the Veterans'
18 Land Fund and to allow surviving widows of veterans to purchase
19 tracts under certain circumstances."

S.J.R. No. 13

President of the Senate

Speaker of the House

I hereby certify that S.J.R. No. 13 was adopted by the senate on February 21, 1977, by the following vote: Yeas 29, Nays 1.

Secretary of the Senate

I hereby certify that S.J.R. No. 13 was adopted by the house on May 11, 1977, by the following vote: Yeas 142, Nays 0, four present not voting.

Chief Clerk of the House

Approved:

Date

Governor

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S.J.R. No. 13

SENATE JOINT RESOLUTION

proposing an amendment to Article III, Section 49-b, of the Texas Constitution, as amended, to provide for an additional \$200 million in bonds or obligations of the State of Texas for the Veterans' Land Fund and to allow the surviving spouses of veterans who died in the line of duty to purchase tracts through the Veterans' Land Board under certain circumstances.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

Section 1. That Article III, Section 49-b, of the Texas Constitution, be amended to read as follows:

"Section 49-b. By virtue of prior Amendments to this Constitution, there has been created a governmental agency of the State of Texas performing governmental duties which has been designated the Veterans' Land Board. Said Board shall continue to function for the purposes specified in all of the prior Constitutional Amendments except as modified herein. Said Board shall be composed of the Commissioner of the General Land Office and two (2) citizens of the State of Texas, one (1) of whom shall be well versed in veterans' affairs and one (1) of whom shall be well versed in finances. One (1) such citizen member shall, with the advice and consent of the Senate, be appointed biennially by the Governor to serve for a term of four (4) years; but the members serving on said Board on the date of adoption hereof shall complete the terms to which they were appointed. In the event of the resignation or death of any such citizen member, the Governor shall

1 appoint a replacement to serve for the unexpired portion of the
2 term to which the deceased or resigning member had been appointed.
3 The compensation for said citizen members shall be as is now or may
4 hereafter be fixed by the Legislature; and each shall make bond in
5 such amount as is now or may hereafter be prescribed by the
6 Legislature.

7 "The Commissioner of the General Land Office shall act as
8 Chairman of said Board and shall be the administrator of the
9 Veterans' Land Program under such terms and restrictions as are now
10 or may hereafter be provided by law. In the absence or illness of
11 said Commissioner, the Chief Clerk of the General Land Office shall
12 be the Acting Chairman of said Board with the same duties and
13 powers that said Commissioner would have if present.

14 "The Veterans' Land Board may provide for, issue and sell not
15 to exceed Seven Hundred Million Dollars (\$700,000,000) [~~Five~~
16 ~~Hundred Million Dollars (\$500,000,000)~~] in bonds or obligations of
17 the State of Texas for the purpose of creating a fund to be known
18 as the Veterans' Land Fund, Five Hundred Million Dollars
19 (\$500,000,000) [~~Four Hundred Million Dollars (\$400,000,000)~~] of
20 which have heretofore been authorized [~~issued and sold~~]. Such
21 bonds or obligations shall be sold for not less than par value and
22 accrued interest; shall be issued in such forms, denominations, and
23 upon such terms as are now or may hereafter be provided by law;
24 shall be issued and sold at such times, at such places, and in such
25 installments as may be determined by said Board; and shall bear a
26 rate or rates of interest as may be fixed by said Board but the

1 weighted average annual interest rate, as that phrase is commonly
2 and ordinarily used and understood in the municipal bond market, of
3 all the bonds issued and sold in any installment of any bonds may
4 not exceed the rate specified in Section 65 of this Article. All
5 bonds or obligations issued and sold hereunder shall, after
6 execution by the Board, approval by the Attorney General of Texas,
7 registration by the Comptroller of Public Accounts of the State of
8 Texas, and delivery to the purchaser or purchasers, be
9 incontestable and shall constitute general obligations of the State
10 of Texas under the Constitution of Texas; and all bonds heretofore
11 issued and sold by said Board are hereby in all respects validated
12 and declared to be general obligations of the State of Texas. In
13 order to prevent default in the payment of principal or interest on
14 any such bonds, the Legislature shall appropriate a sufficient
15 amount to pay the same.

16 "In the sale of any such bonds or obligations, a preferential
17 right of purchase shall be given to the administrators of the
18 various Teacher Retirement Funds, the Permanent University Funds,
19 and the Permanent School Funds.

20 "Said Veterans' Land Fund shall consist of any lands
21 heretofore or hereafter purchased by said Board, until the sale
22 price therefor, together with any interest and penalties due, have
23 been received by said Board (although nothing herein shall be
24 construed to prevent said Board from accepting full payment for a
25 portion of any tract), and of the moneys attributable to any bonds
26 heretofore or hereafter issued and sold by said Board which moneys

1 so attributable shall include but shall not be limited to the
2 proceeds from the issuance and sale of such bonds; the moneys
3 received from the sale or resale of any lands, or rights therein,
4 purchased with such proceeds; the moneys received from the sale or
5 resale of any lands, or rights therein, purchased with other moneys
6 attributable to such bonds; the interest and penalties received
7 from the sale or resale of such lands, or rights therein; the
8 bonuses, income, rents, royalties, and any other pecuniary benefit
9 received by said Board from any such lands; sums received by way of
10 indemnity or forfeiture for the failure of any bidder for the
11 purchase of any such bonds to comply with his bid and accept and
12 pay for such bonds or for the failure of any bidder for the
13 purchase of any lands comprising a part of said Fund to comply with
14 his bid and accept and pay for any such lands; and interest
15 received from investments of any such moneys. The principal and
16 interest on the bonds heretofore and hereafter issued by said Board
17 shall be paid out of the moneys of said Fund in conformance with
18 the Constitutional provisions authorizing such bonds; but the
19 moneys of said Fund which are not immediately committed to the
20 payment of principal and interest on such bonds, the purchase of
21 lands as herein provided, or the payment of expenses as herein
22 provided may be invested in bonds or obligations of the United
23 States until such funds are needed for such purposes.

24 "All moneys comprising a part of said Fund and not expended
25 for the purposes herein provided shall be a part of said Fund until
26 there are sufficient moneys therein to retire fully all of the

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1 bonds heretofore or hereafter issued and sold by said Board, at
2 which time all such moneys remaining in said Fund, except such
3 portion thereof as may be necessary to retire all such bonds which
4 portion shall be set aside and retained in said Fund for the
5 purpose of retiring all such bonds, shall be deposited to the
6 credit of the General Revenue Fund to be appropriated to such
7 purposes as may be prescribed by law. All moneys becoming a part
8 of said Fund ~~thereafter~~ ~~(thereunder)~~ shall likewise be deposited to
9 the credit of the General Revenue Fund.

10 "When a Division of said Fund (each Division consisting of
11 the moneys attributable to the bonds issued and sold pursuant to a
12 single Constitutional authorization and the lands purchased
13 therewith) contains sufficient moneys to retire all of the bonds
14 secured by such Division, the moneys thereof, except such portion
15 as may be needed to retire all of the bonds secured by such
16 Division which portion shall be set aside and remain a part of such
17 Division for the purpose of retiring all such bonds, may be used
18 for the purpose of paying the principal and the interest thereon,
19 together with the expenses herein authorized, of any other bonds
20 heretofore or hereafter issued and sold by said Board. Such use
21 shall be a matter for the discretion and direction of said Board;
22 but there may be no such use of any such moneys contrary to the
23 rights of any holder of any of the bonds issued and sold by said
24 Board or violative of any contract to which said Board is a party.

25 "The Veterans' Land Fund shall be used by said Board for the
26 purpose of purchasing lands situated in the State of Texas owned by

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1 the United States or any governmental agency thereof, owned by the
2 Texas Prison System or any other governmental agency of the State
3 of Texas, or owned by any person, firm, or corporation. All lands
4 thus purchased shall be acquired at the lowest price obtainable, to
5 be paid for in cash, and shall be a part of said Fund. Such lands
6 heretofore or hereafter purchased and comprising a part of said
7 Fund are hereby declared to be held for a governmental purpose,
8 although the individual purchasers thereof shall be subject to
9 taxation to the same extent and in the same manner as are
10 purchasers of lands dedicated to the Permanent Free Public School
11 Fund.

12 "The lands of the Veterans' Land Fund shall be sold by said
13 Board in such quantities, on such terms, at such prices, at such
14 rates of interest and under such rules and regulations as are now
15 or may hereafter be provided by law to veterans who served not less
16 than ninety (90) continuous days, unless sooner discharged by
17 reason of a service-connected disability, on active duty in the
18 Army, Navy, Air Force, Coast Guard or Marine Corps of the United
19 States after September 16, 1940, and who, upon the date of filing
20 his or her application to purchase any such land is a citizen of
21 the United States, is a bona fide resident of the State of Texas,
22 and has not been dishonorably discharged from any branch of the
23 Armed Forces above-named and who at the time of his or her
24 enlistment, induction, commissioning, or drafting was a bona fide
25 resident of the State of Texas, or who has resided in Texas at
26 least five (5) years prior to the date of filing his or her

1 application, and provided that in the event of the death of an
 2 eligible Texas Veteran after the veteran has filed with the Board
 3 an application and contract of sale to purchase through the Board
 4 the tract selected by him or her and before the purchase has been
 5 completed, then the surviving spouse may complete the transaction.
 6 The unmarried surviving spouses of veterans who died in the line of
 7 duty may also apply to purchase a tract through the Board provided
 8 the deceased veterans meet the requirements set out in this Article
 9 with the exception that the deceased veterans need not have served
 10 ninety (90) continuous days and provided further that the deceased
 11 veterans were bona fide residents of the State of Texas at the time
 12 of enlistment, induction, commissioning, or drafting. The
 13 foregoing notwithstanding, any lands in the Veterans' Land Fund
 14 which have been first offered for sale to veterans and which have
 15 not been sold may be sold or resold to such purchasers, in such
 16 quantities, and on such terms, and at such prices and rates of
 17 interest, and under such rules and regulations as are now or may
 18 hereafter be provided by law.

19 "Said Veterans' Land Fund, to the extent of the moneys
 20 attributable to any bonds hereafter issued and sold by said Board
 21 may be used by said Board, as is now or may hereafter be provided
 22 by law, for the purpose of paying the expenses of surveying,
 23 monumenting, road construction, legal fees, recordation fees,
 24 advertising and other like costs necessary or incidental to the
 25 purchase and sale, or resale, of any lands purchased with any of
 26 the moneys attributable to such additional bonds, such expenses to

1 be added to the price of such lands when sold, or resold, by said
2 Board; for the purpose of paying the expenses of issuing, selling,
3 and delivering any such additional bonds; and for the purpose of
4 meeting the expenses of paying the interest or principal due or to
5 become due on any such additional bonds.

6 "All of the moneys attributable to any series of bonds
7 hereafter issued and sold by said Board (a 'series of bonds' being
8 all of the bonds issued and sold in a single transaction as a
9 single installment of bonds) may be used for the purchase of lands
10 as herein provided, to be sold as herein provided, for a period
11 ending eight (8) years after the date of sale of such series of
12 bonds; provided, however, that so much of such moneys as may be
13 necessary to pay interest on bonds hereafter issued and sold shall
14 be set aside for that purpose in accordance with the resolution
15 adopted by said Board authorizing the issuance and sale of such
16 series of bonds. After such eight (8) year period, all of such
17 moneys shall be set aside for the retirement of any bonds hereafter
18 issued and sold and to pay interest thereon, together with any
19 expenses as provided herein, in accordance with the resolution or
20 resolutions authorizing the issuance and sale of such additional
21 bonds, until there are sufficient moneys to retire all of the bonds
22 hereafter issued and sold, at which time all such moneys then
23 remaining a part of said Veterans' Land Fund and thereafter
24 becoming a part of said Fund shall be governed as elsewhere
25 provided herein.

26 "This Amendment being intended only to establish a basic

1 framework and not to be a comprehensive treatment of the Veterans'
2 Land Program, there is hereby reposed in the Legislature full power
3 to implement and effectuate the design and objects of this
4 Amendment, including the power to delegate such duties,
5 responsibilities, functions, and authority to the Veterans' Land
6 Board as it believes necessary.

7 "Should the Legislature enact any enabling laws in
8 anticipation of this Amendment, no such law shall be void by reason
9 of its anticipatory nature.

10 "This Amendment shall become effective upon its adoption."

11 Sec. 2. The foregoing constitutional amendment shall be
12 submitted to a vote of the qualified electors of this state at an
13 election to be held on the first Tuesday after the first Monday in
14 November, 1977, at which election the ballots shall be printed to
15 provide for voting for or against the proposition: "The
16 constitutional amendment to provide for an additional \$200 million
17 in bonds or obligations of the State of Texas for the Veterans'
18 Land Fund and to allow surviving widows of veterans to purchase
19 tracts under certain circumstances."

S.J.R. No. 13

President of the Senate

Speaker of the House

I hereby certify that S.J.R. No. 13 was adopted by the senate on February 21, 1977, by the following vote: Yeas 29, Nays 1.

Secretary of the Senate

I hereby certify that S.J.R. No. 13 was adopted by the house on May 11, 1977, by the following vote: Yeas 142, Nays 0, four present not voting.

Chief Clerk of the House

Approved:

Date

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
.....4:30 PM.....O'CLOCK

Governor

MAY 26 1977

Mark White
.....
Secretary of State

Filed w/o signature
Effective: to be voted on 11-8-77

Proposing an amendment to the Texas Constitution to provide for an additional \$200 million in bonds or obligations of the State of Texas for the Veterans' Land Fund, etc.

1-11-77 Filed with the Secretary of the Senate
JAN 11 1977 Read, referred to Committee on Finance
FEB 17 1977 Reported favorably, as amended
Reported adversely, with favorable Committee Substitute; Committee Substitute read first time.
FEB 21 1977 Ordered not printed.
Senate and Constitutional Rules to permit consideration suspended by unanimous consent, 30 yeas, 0 nays.
FEB 21 1977 To permit consideration, reading and passage, Senate and Constitutional Rules suspended by vote of amended yeas, 1 nays.
FEB 21 1977 Read second time and amended ordered engrossed, passed to third reading.
FEB 21 1977 Caption ordered amended to conform to body of bill.
FEB 21 1977 Senate and Constitutional 3-Day Rules suspended by vote of 29 yeas, 1 nays to place bill on third reading and final passage.
FEB 21 1977 Read third time and passed by 29 yeas, 1 nays.

OTHER ACTION:

Betty King
Secretary of the Senate

Feb. 24 1977 Engrossed
Feb. 24 1977 Sent to HOUSE

Patsy Spaw
ENGROSSING CLERK

FEB 21 1977

Received from the Senator

Betty Murray
Chief Clerk, House of Representatives

READ 1st TIME
AND REFERRED TO COMMITTEE

FEB 22 1977 Constitutional Amendments

MAY 4 1977 Favorably Reported as amended, Sent to Printer MAY 6 1977 5:30PM

MAY 9 1977 Printed And Distributed 7:08 PM

MAY 9 1977 Sent To Committee On Calendars 7:46 PM

DATE MAY 11 1977

READ AND ADOPTED
CHIEF CLERK Betty Murray
HOUSE OF REPRESENTATIVES by record vote
142 yeas 0 nays 4 PM

RETURNED TO SENATE MAY 12 1977

MAY 12 1977 RETURNED FROM HOUSE